UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;

Nora Mead Brownell, and Suedeen G. Kelly.

Midwest Independent Transmission Docket No. ER05-6-037

System Operator, Inc.

Midwest Independent Transmission Docket No. EL04-135-039

System Operator, Inc.

PJM Interconnection, LLC, et al.

Midwest Independent Transmission Docket No. EL02-111-057

System Operator, Inc.

PJM Interconnection, LLC, et al.

Ameren Services Company, et al. Docket No. EL03-212-053

ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued April 13, 2006)

- 1. On January 23, 2006, Ormet Corporation and Ormet Primary Aluminum Corporation (Ormet) and Cinergy Services, Inc., on behalf of The Cincinnati Gas and Electric and PSI Energy, Inc. (Cinergy) filed a Settlement Agreement (Settlement) in the above-referenced dockets, together with an explanatory statement. The Settlement will resolve all shift-to-shipper issues between Ormet and Cinergy in the above-captioned dockets. No comments were filed. On March 13, 2006, the Settlement Judge certified the Settlement as uncontested, 114 FERC ¶ 63,038 (2006).
- 2. The Settlement is fair and reasonable and in the public interest and is hereby accepted. The Commission's acceptance of this settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms and conditions under the just and reasonable and not unduly discriminatory or preferential standard of Section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).

- 3. In an order issued January 14, 2005, the Commission allowed Ormet to pay the SECA rate (Seams Elimination Charge/Cost Adjustment/Assignment methodology) applicable to the AEP-East zone for service to its native load until Ormet's SECA is finalized, subject to and conditioned upon refunds or surcharges. In accordance with that order, Ormet paid the MISO SECA rate applicable to the AEP-East zone for the month of December 2004 in the amount of \$18,862.76, subject to surcharge and refund.
- 4. The Settlement requires Cinergy to pay Ormet \$18,862.76, plus interest, within 30 days of the Commission's order approving the Settlement. Upon issuance of a Commission order determining Ormet's SECA obligation applicable to lost revenues of transmission owners located within the MISO zone (Ormet's MISO SECA Obligation), any surcharges, plus interest, otherwise owed by Ormet in satisfaction of its MISO SECA Obligation for the month of December 2004, as determined by the Commission, will become the responsibility of Cinergy, and Ormet shall be relieved of any responsibility for paying such surcharges. PJM shall assess such surcharges, plus interest, as determined by the Commission, applicable to Ormet's MISO SECA Obligation for the month of December 2004 to Cinergy.
- 5. This order terminates Docket Numbers ER05-6-037, EL04-135-039, EL02-111-057 and EL03-212-053.

By the Commission.

(SEAL)

Magalie R. Salas Secretary

 $^{^1}$ Midwest Indep. Transmission Sys. Operator, Inc., 110 FERC \P 61,022 at P 13 (2005).